



January 22, 2009

To: First Steps Providers
Interested Parties

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Subject: **Budget Update for First Steps MSS/ICM Providers**

In a memo dated January 9, 2009, we shared that the First Steps budget for the 09–11 biennium was to be reduced by 20%. Program staff received word yesterday that the reduction for the next biennium has been set back to 5%. While we are excited about this new development, we still have a lot of work to complete. The longer it takes to implement savings strategies, the more severe the cuts will be between now and the end of June.

We would like your input as we move forward to meet the budget reduction. Please refer to the document entitled, Options for Implementing Budget Reduction in First Steps Program. Program staff are asking you to help us make changes as we bring the focus of First Steps back to the original intent of the Maternity Care Access Act; *ensuring healthy birth outcomes for low-income families*.

The input and questions we have already received from many of you are appreciated. Though we may not be able to respond directly, we are reading and using your input in our decision making process. As new information is available, we will continue to send communications to the First

Steps Coordinator's list and through the First Steps listserv and website. We ask for your continued input as we make program modifications necessary in order to achieve our mandated reductions.

Information Update

Reducing the First Steps program budget is a complex process. While we focus on meeting the budget reduction requirements, we also need to maintain quality care for clients and keep the integrity of the program intact. An accelerated process is necessary to meet the immediate fiscal realities, and will be the beginning of a longer and more complete process.

As we move forward, our decisions will be based on:

- The legislative purpose of RCW 74.09.760-910 to “develop a maternity care access program designed to ensure healthy birth outcomes” <http://apps.leg.wa.gov/RCW>
- The fiscal reality that First Steps **must** meet the budget reduction target and operate within the resources allocated
- Governor Gregoire's directive to serve the most vulnerable and highest risk families
- Washington State data and evidence-based practices
- System limitations associated with ProviderOne, Rules and Publications and Rates and Finance

The following resources will be used when considering proposed changes to MSS/ICM program elements:

- Extensive Washington state data from DSHS Research and Data Analysis
- MMIS billing data that allows us to understand utilization and service delivery trends.
- Input from providers and stakeholders including those from the 2007 fall regional meetings and those we continue to receive.
- Research completed by the First Steps Clinical Team. A literature review reference list and other supporting documents will be posted on the First Steps website.

Feedback and Comments during the Process

Please provide suggestions and comments **to the First Steps DOH Messages mailbox:** firststepsmessages@doh.wa.gov **In order to organize and prioritize your input, we ask that you send comments in writing and only to this mailbox.**

Program Options

This week we are asking for feedback on the attached document entitled, Options for Implementing Budget Reduction in First Steps Program **by COB on Monday, January 26.** *These options represent only preliminary ideas and do not reflect any final decisions.* We recognize the turn around time is very short, but your input is critical as we make decisions on program direction.

Coming Soon:

Risk Factors and DRAFT Screening Tool

To identify women at highest risk for poor birth outcomes, a short screening tool using specific and limited risk factors is being drafted and will be emailed to you when the first draft is complete. Again, we will be asking for your input.

PLEASE check the First Steps website on a regular basis for new information.

<http://fortress.wa.gov/dshs/maa/firststeps>

Attachment: Options for Implementing Budget Reduction in First Steps Program